

Capital Improvement Program

The Capital Improvement Fund provides a mechanism to fund the County's Capital Improvement Program (CIP). The fund is supported by a combination of local funding and debt issuance.

As presented, the Capital Improvement Plan (CIP or plan) continues to focus on addressing the identified capital needs and priorities of the County, while ensuring compliance with the County's fiscal policies. The CIP is prepared in a manner that sets the framework for the implementation of the County's capital project needs and priorities over the next five years. The plan also creates realistic expectations for timing and designation of these and future projects.

The proposed Capital Improvement Plan totals \$137.7 million from FY 2022 through FY 2026, with an additional \$178.5 million designated for future fiscal years. Over the five-year planning period (FY 2022-FY 2026), \$9.9 million would be allocated for public safety and fire and rescue projects, \$5.4 million for parks and recreational projects, \$0.25 million for environmental services projects, \$5.0 million for utility and infrastructure projects including \$4.0 million for broadband development, \$0.12 million for Airport projects, and \$39.9 million for school division projects.

The proposed CIP contains a significant cash funding commitment totaling \$24.77 million, with \$9.58 million anticipated from General Fund contribution and \$15.2 million from non-General Fund sources, including donations and agency specific funds. The \$24.77 million in cash funding equates to approximately 18.0% of total appropriations over the course of the five-year planning period, with 38.7% from General Fund sources and 61.3% sourced from non-General Fund sources. The General Fund cash component is fully funded in the FY 2022 proposed budget transfer to the CIP Fund. The balance of FY 2022 CIP, \$3.75 million, would be funded by debt issuances, through a variety of financing methods including approved Virginia bonding authority pools or bank financing.

The remaining \$112.95 million would be financed by debt issuances, through a variety of financing methods including approved Virginia bonding authority pools or bank financing. Total projected debt would increase by \$94.7 million, which includes \$31.7 million of bond funding approved in prior years not yet issued, to a total projected debt amount of \$201.7 million in FY 2026. Annual debt service expenditures are projected to increase by about \$9.99 million from FY 2023 to FY 2026, which would require funding as additional revenue growth or tax increases equivalent to \$0.084 based on current tax yield, which takes into account adjustments in cash funding requirements, over the planning period. The projected increase in annual debt service expenditures will place the proposed CIP at the Board's 10% policy limit for debt service in FY 2026, in comparison with overall revenue projection within the five-year planning period.

Capital Improvement Program

FY 2022-2026 Proposed Capital Improvement Program by Function

Functional Area	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2022-26 Total
Fire, Rescue & Emergency Services	\$ -	\$ 300,000	\$ 4,352,500	\$ 1,164,406	\$ 4,088,094	\$ 9,905,000
General Services - Government-wide Projects	-	-	5,535,270	50,317,433	4,000,000	\$ 59,852,703
Parks & Recreation	200,000	200,000	4,600,000	200,000	200,000	\$ 5,400,000
Environmental Services	50,000	50,000	50,000	50,000	50,000	\$ 250,000
Utilities/Infrastructure	4,200,000	200,000	200,000	200,000	200,000	\$ 5,000,000
Warrenton-Fauquier Airport Projects - Local Match Components ¹	-	7,540	-	100,280	15,620	\$ 123,440
<u>School Division</u>	<u>3,990,830</u>	<u>35,917,469</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 39,908,299</u>
Total	\$ 8,440,830	\$ 37,236,615	\$ 31,456,540	\$ 52,032,119	\$ 8,553,714	\$ 137,719,818

¹Local matching funds only, projects are primarily funded under Federal and State capital grant funding programs for airports.

Population Estimates

County

The Weldon Cooper Center for Public Service provides the official population projections for Fauquier County and the Commonwealth of Virginia as established in §15.2-2223.1 of the Code of Virginia. Weldon Cooper projects the County population will grow at an average annual rate of 1.13% through 2030. Applying the projected rate to the five-year planning period provides an estimate of 74,280 residents by 2025, an increase of 3,978 residents over the 2020 projection.

School Division

In October 2020, School Division staff provided the School Board with an updated ten-year student enrollment projection based on 2019-2020 actual enrollment. The projections list a current district-wide program capacity of 13,712 students. Current enrollment totals 10,249 students, with a total projected enrollment growth of 19.0% to 12,201 students by 2030. The following table provides a summary of the School Division's student enrollment projections through the 2029-2030 school year.

School Division Ten-Year Student Enrollment Projections						
	Current	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024
Description	Capacity	Enrollment	Projection	Projection	Projection	Projection
Elementary Schools	6,176	4,729	4,178	4,827	4,837	4,833
Middle Schools	3,194	2,596	2,382	2,591	2,604	2,600
High Schools	4,342	3,775	3,689	3,759	3,797	3,783
District Total	13,712	11,100	10,249	11,177	11,238	11,216
	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030
Description	Projection	Projection	Projection	Projection	Projection	Projection
Elementary Schools	4,936	5,013	5,137	5,204	5,406	5,568
Middle Schools	2,632	2,590	2,713	2,680	2,728	2,723
High Schools	3,779	3,867	3,788	3,843	3,866	3,910
District Total	11,347	11,470	11,638	11,727	12,000	12,201

Capital Improvement Program

Debt Issuance and Debt Services Projections

The County's institutional debt limits require the County Administrator to develop a capital improvement program in compliance with the Board of Supervisors' debt management financial policy, while ensuring the availability of resources to fund the near-term operating and debt service impacts of the capital program. The adopted CIP ensures growth in the County's projected debt, and debt service requirements meet the Board's debt policy over the course of the five-year planning period.

The CIP plan anticipates \$201.7 million in overall projected debt in FY 2026, which is approximately \$94.8 million more than the amount of overall outstanding debt anticipated through the end of FY 2021. Specific detail on projected debt service for 2022 can be found in the Debt Service Fund in the Other Funds section. Below is an overview of the projected debt service based on the FY 2022 – 2026 proposed Capital Improvement Plan.

The following provides an overview of debt and debt services from the CIP, and the potential impact of the capital cash funding requirement and annual debt service requirements on the County's real estate tax rate. This additional section of analysis demonstrates the required growth in revenue or funding through tax increases necessary to meet the cash and debt service requirements of the proposed CIP per fiscal year, based on the proposed FY 2022 budget, tax rates, and per penny yield.

Description	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Financing Scenarios						
Projected Outstanding Debt	\$ 101,232,680	\$ 111,308,775	\$ 122,713,843	\$ 154,306,289	\$ 157,610,285	\$ 194,232,266
Projected Additional Debt	5,693,632	29,577,509	49,757,469	23,045,960	49,817,433	7,488,094
Total Projected Debt	\$ 106,926,313	\$ 140,886,284	\$ 172,471,312	\$ 177,352,249	\$ 207,427,718	\$ 201,720,360
Projected Debt Service - County	\$ 12,190,559	\$ 11,730,047	\$ 13,105,976	\$ 16,044,059	\$ 18,555,510	\$ 21,714,141
Projected Debt Service - F&R	1,264,517	1,263,381	1,260,828	1,356,591	1,655,981	1,732,751
Total Projected Debt Service	\$ 13,455,076	\$ 12,993,428	\$ 14,366,804	\$ 17,400,650	\$ 20,211,491	\$ 23,446,891
Revenue Estimate - General Fund	\$ 188,360,775	\$ 191,811,594	\$ 199,004,529	\$ 204,974,665	\$ 208,049,285	\$ 211,170,024
Revenue Estimate - Other Funds	19,866,113	19,912,538	20,659,258	21,279,036	21,811,012	22,138,177
Total Revenue Estimate	\$ 208,226,888	\$ 211,724,132	\$ 219,663,787	\$ 226,253,701	\$ 229,860,296	\$ 233,308,201
Revenue % Chg. from Prev. Year		1.7%	3.8%	3.0%	1.6%	1.5%
Debt Service % of Projected Revenue		6.1%	6.5%	7.7%	8.8%	10.0%
Potential Capital Improvement Program Impact on Tax Rate						
Additional Debt Service, per fiscal year ¹	\$ -	\$ 911,728	\$ 3,033,846	\$ 2,810,841	\$ 3,235,400	
Additional Cash Contributions, per fiscal year ¹	-	569,146	5,571,374	(5,540,240)	(584,660)	
Net Impact of Capital Improvement Plan	\$ -	\$ 1,480,874	\$ 8,605,220	\$ (2,729,399)	\$ 2,650,740	

Equivalent increase in either the tax rate or growth necessary to fund listed projects, based on current per penny yield²

\$0.012 \$0.072 (\$0.023) \$0.022

¹ The FY 2022 proposed budgets includes sufficient cash funding for the Capital Improvement Fund's cash component and projected debt service payments. Beginning in FY 2023, additional debt service and cash funding component will require revenue growth, increase in the tax rate(s), and/or allocation of available year-end funds to ensure sufficient funding for projects. From year to year, debt service funding levels can vary with retirement of debt and issuance of new debt. When debt service declines from year to year, previously allocated resources will be held in the budget for future debt service needs or pay-as-you-go capital costs.

² The noted equivalent increase in the tax rate or growth is based on the funding necessary for each fiscal year.

Capital Improvement Program

Bond and Cash Funded Capital Improvement Plan

Department/Project	Prior Years Appropriations ¹			FY 2022-26							
	Cash/Grant Funding	Debt	Financing	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total	Future Years	CIP Total
<u>Fire, Rescue & Emergency Services</u>											
Bealeton Fire & Rescue Station	\$ -	\$ -	-	\$ -	\$ 300,000	\$ 4,352,500	\$ -	\$ -	\$ 4,652,500	\$ -	\$ 4,652,500
Marshall Fire & Rescue Station	-	-	-	-	-	-	1,164,406	3,488,094	\$ 4,652,500	-	\$ 4,652,500
The Plains Fire & Rescue Station	-	-	-	-	-	-	-	300,000	\$ 300,000	5,488,215	\$ 5,788,215
Upperville Fire & Rescue Station	-	-	-	-	-	-	-	300,000	\$ 300,000	3,500,000	\$ 3,800,000
Southern Fire & Rescue Station	300,000	-	-	-	-	-	-	-	\$ -	6,784,387	\$ 7,084,387
Fire and Rescue Training Facility	-	-	-	-	-	-	-	-	\$ -	2,250,000	\$ 2,250,000
Public Safety Building	-	-	-	-	-	-	-	-	\$ -	25,000,000	\$ 25,000,000
Sub-total, Fire, Rescue & Emergency Services	\$ 300,000	\$ -	-	\$ -	\$ 300,000	\$ 4,352,500	\$ 1,164,406	\$ 4,088,094	\$ 9,905,000	\$ 43,022,602	\$ 53,227,602
<u>General Services - Government-wide Projects</u>											
Stafford Property Development - General Services Joint Use Facility	\$ 700,000	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,601,000	\$ 46,301,000
Courthouse Renovations and Improvements	93,000	-	-	-	-	5,535,270	49,817,433	-	\$ 55,352,703	-	\$ 55,445,703
78 Lee Street Renovation/Expansion	-	-	-	-	-	-	500,000	4,000,000	\$ 4,500,000	-	\$ 4,500,000
School/County Office Space	-	-	-	-	-	-	-	-	\$ -	11,000,000	\$ 11,000,000
Sub-total, General Services	\$ 793,000	\$ -	-	\$ -	\$ -	\$ 5,535,270	\$ 50,317,433	\$ 4,000,000	\$ 59,852,703	\$ 56,601,000	\$ 117,246,703
<u>Library</u>											
Central Library Project	\$ 506,190	\$ -	-	\$ -	\$ 561,606	\$ 16,718,770	\$ -	\$ -	\$ 17,280,376	\$ -	\$ 17,786,566
New Baltimore Library ¹	426,400	-	-	-	-	-	-	-	\$ -	10,917,795	\$ 11,344,195
Sub-total, Library	\$ 932,590	\$ -	-	\$ -	\$ 561,606	\$ 16,718,770	\$ -	\$ -	\$ 17,280,376	\$ 10,917,795	\$ 29,130,761
<u>Parks & Recreation</u>											
Ball Fields, Greenways/Trails & Playground Projects ¹	\$ 800,000	\$ -	-	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,000,000	\$ 200,000	\$ 2,000,000
Central Sports Complex ¹	5,121,365	8,767,125	-	-	-	4,400,000	-	-	\$ 4,400,000	-	\$ 18,288,490
Rappahannock Station - Phase I	1,000,000	-	-	-	-	-	-	-	\$ -	-	\$ 1,000,000
Vint Hill Community Ctr & Theater Reno/ADA	-	-	-	-	-	-	-	-	\$ -	2,200,000	\$ 2,200,000
Marshall Community Center	-	-	-	-	-	-	-	-	\$ -	1,893,735	\$ 1,893,735
Northern Swimming Pool	-	-	-	-	-	-	-	-	\$ -	6,000,000	\$ 6,000,000
Southern Sports Complex	881,099	-	-	-	-	-	-	-	\$ -	5,000,000	\$ 5,881,099
Southern Community Center	-	-	-	-	-	-	-	-	\$ -	3,000,000	\$ 3,000,000
Southern Pool	-	-	-	-	-	-	-	-	\$ -	6,000,000	\$ 6,000,000
Sub-total, Parks & Recreation	\$ 7,802,464	\$ 8,767,125	\$ -	\$ 200,000	\$ 200,000	\$ 4,600,000	\$ 200,000	\$ 200,000	\$ 5,400,000	\$ 24,293,735	\$ 46,263,324

Capital Improvement Program

Department/Project	Prior Years Appropriations ¹			FY 2022-26							
	Cash/Grant			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total	Future Years	CIP Total
	Funding	Debt	Financing								
Environmental Services²											
Landfill/Transfer Station Long-term Development/Permitting	\$ 312,200	\$ -		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000	\$ 50,000	\$ 612,200
Leachate/Gas Management ¹	1,570,000	2,268,000		-	-	-	-	-	-	-	\$ 3,838,000
Landfill Closure/Post-Closure	1,280,220	11,521,979		-	-	-	-	-	-	11,843,274	\$ 24,645,473
New Baltimore Convenience Site	-	-		-	-	-	-	-	-	950,000	\$ 950,000
Marshall Convenience Site Improvements	400,000	-		-	-	-	-	-	-	1,160,000	\$ 1,560,000
Sub-total, Environmental Services	\$ 3,562,420	\$ 13,789,979		\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000	\$ 14,003,274	\$ 31,605,673
Department/Project	Prior Years Appropriations ¹			FY 2022-26							
	Cash/Grant			FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total	Future Years	CIP Total
	Funding	Debt	Financing								
Utilities/Infrastructure³											
Opal Water System	\$ 500,000	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,800,138	\$ 7,300,138
Hydrogeological Studies	1,000,000	-		200,000	200,000	200,000	200,000	200,000	\$ 1,000,000	200,000	\$ 2,200,000
Broadband Development	6,353,914	10,263,223		4,000,000	-	-	-	-	\$ 4,000,000	-	\$ 20,617,137
Marshall Water System Improvements	500,000	1,500,000		-	-	-	-	-	\$ -	-	\$ 2,000,000
Midland/Airport Area Utility Improvements	1,000,000	5,400,000		-	-	-	-	-	\$ -	-	\$ 6,400,000
Midland/Bealeton Service Districts Improvements	-	-		-	-	-	-	-	\$ -	5,000,000	\$ 5,000,000
Catlett/Calverton Sewer	4,345,778	7,102,000		-	-	-	-	-	\$ -	-	\$ 11,447,778
Sub-total, Utilities/Infrastructure	\$ 13,699,692	\$ 24,265,223		\$ 4,200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 5,000,000	\$ 12,000,138	\$ 54,965,053
Warrenton-Fauquier Airport Projects - Local Match Components⁴											
Airport Washrack	\$ 40,000	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Design/Construct/Rehabilitate Runway 15 33	-	-		-	7,540	-	100,280	-	\$ 107,820	-	\$ 107,820
Airport Corporate Apron Phase I & II Design/Construct	-	-		-	-	-	-	15,620	\$ 15,620	232,289	\$ 247,909
Airport Corporate Access Road Design/Construction	-	-		-	-	-	-	-	\$ -	633,742	\$ 633,742
Sub-total, Warrenton-Fauquier Airport Projects	\$ 40,000	\$ -		\$ -	\$ 7,540	\$ -	\$ 100,280	\$ 15,620	\$ 123,440	\$ 866,031	\$ 1,029,471
COUNTY CIP TOTAL:	\$ 27,130,166	\$ 46,822,327		\$ 4,450,000	\$ 1,319,146	\$ 31,456,540	\$ 52,032,119	\$ 8,553,714	\$ 97,811,519	\$ 161,704,575	\$ 333,468,587

Capital Improvement Program

Department/Project	Prior Years Appropriations ¹			FY 2022-26							CIP Total
	Cash/Grant	Debt	Financing	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total	Future Years	
School Division⁵											
Cedar Lee Middle School Renovation/Expansion	\$ 1,754,170	\$ 15,787,530		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,541,700
Taylor Middle School Renovation/Expansion	-	-		3,990,830	35,917,469	-	-	-	39,908,299	-	\$ 39,908,299
Auburn Middle School Expansion	-	-		-	-	-	-	-	-	9,939,809	\$ 9,939,809
Kettle Run Expansion	-	-		-	-	-	-	-	-	3,800,000	\$ 3,800,000
Greenville Elementary School Expansion	-	-		-	-	-	-	-	-	3,100,000	\$ 3,100,000
Sub-total, School Division	\$ 1,754,170	\$ 15,787,530		\$ 3,990,830	\$ 35,917,469	\$ -	\$ -	\$ -	\$ 39,908,299	\$ 16,839,809	\$ 74,289,808
CIP GRAND TOTAL:	\$ 28,884,336	\$ 62,609,857		\$ 8,440,830	\$ 37,236,615	\$ 31,456,540	\$ 52,032,119	\$ 8,553,714	\$ 137,719,818	\$ 178,544,384	\$ 407,758,395
General Fund CASH CONTRIBUTION:	\$ 23,870,389	\$ -		\$ 450,000	\$ 1,019,146	\$ 6,590,520	\$ 1,050,280	\$ 465,620	\$ 9,575,566		
Non-General Fund CASH CONTRIBUTION:	5,013,947	-		4,240,830	300,000	8,893,283	1,164,406	600,000	15,198,519		
TOTAL CASH CONTRIBUTION:	\$ 28,884,336	\$ -		\$ 4,690,830	\$ 1,319,146	\$ 15,483,803	\$ 2,214,686	\$ 1,065,620	\$ 24,774,085		
TOTAL BOND FINANCING:	\$ -	\$ 62,609,857		\$ 3,750,000	\$ 35,917,469	\$ 15,972,737	\$ 49,817,433	\$ 7,488,094	\$ 112,945,733		

¹Prior Year Funding includes cash/grant and debt funding, including bonds or other financing instruments which may not have been issued by the County, but for which a project holds a prior year appropriation of the Board of Supervisors. Cash/grant funding may also be appropriated but not yet expended or may include prior year funding expended from department funds.

²Environmental Services capital related projects are included in the CIP for approval of funding and scope. However, projects specific to the Environmental Services Fund do not have an impact on the County's debt capacity by policy.

³As tap fees are received on water and/or sewer utility projects, the revenue will be applied directly to the debt service of the projects or other debt related costs as determined by the County.

⁴These projects include only the local match funding for Airport capital grant projects allocated through debt, cash, or other funding means. The balance of funding is sourced through Federal and State aviation grants.

⁵The Cedar Lee Middle School and Taylor Middle School project scopes are based on the updated Middle School Renovation plan discussed by the Board of Supervisors and School Board during the FY 2021 budget adoption process. Additional changes may arise as the plans and bid packages for both projects are finalized.

Capital Improvement Program

Grant Funded Capital Improvement Projects

The following section provides an outline of future planned projects that are a capital improvement in nature, but not funded through bonds or CIP cash funding derived from the annual General Fund allocation. These projects are funded through matching grant programs with State or Federal agencies, with matching funds provided through County resources other than the annual CIP cash funding. Projects are placed in future years until such times as the granting agency approves funding. These projects remain a priority of the Board of Supervisors and will be moved into plan years once formal award is received from the granting agency.

Department/Project	Prior Years Appropriations ¹		FY 2022-26							
	Cash/Grant Funding	Pending Financing	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Total	Future Years	CIP Total
VDOT Revenue Share Grants										
<u>Community Development - Transportation Projects</u>										
Salem Avenue	\$ 2,198,748	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,198,748
Sub-total, VDOT Revenue Share Grants	\$ 2,198,748	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,198,748
VDOT Transportation Enhancements/Alternatives Grants										
<u>County Administration</u>										
Marshall Streetscape Improvement Project	\$ 6,219,049	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	6,219,049
<u>Parks and Recreation</u>										
Route 28/Grace Miller Elementary School Crosswalk Connector	\$ 680,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	680,000
Warrenton Branch Greenway Trail	1,161,433	-	-	-	-	-	-	-	-	1,161,433
Sub-total, VDOT Transportation Enhancements/Alternatives Grants	\$ 8,060,482	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	8,060,482
Combined VDOT Revenue Share/Transportation Alternatives Grants										
<u>County Administration</u>										
Waterloo Bridge (VDOT Managed Project)	\$ 3,125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3,125,000
Sub-total, Combined VDOT Revenue Share/Transportation Alt. Grants	\$ 3,125,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	3,125,000
Stormwater Management Grants										
<u>Community Development</u>										
MS-4 Public Facilities Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	797,918	797,918
Sub-total, Combined Stormwater Management Grants	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	797,918	797,918
GRANT CASH CONTRIBUTION:	\$ 5,129,615	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	797,918	\$ 5,927,533
Non-General Fund CASH CONTRIBUTION:	5,129,615	-	-	-	-	-	-	-	-	\$ 5,129,615
TOTAL CASH CONTRIBUTION:	\$ 10,259,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	797,918	\$ 11,057,148
GRANT FUNDED CIP PROJECTS TOTAL:	\$ 10,259,230	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	797,918	\$ 11,057,148